

#### § 500.584

North Korean organizations whose primary purpose is the gathering and dissemination of news to the general public.

(d) The number assigned to a specific license issued pursuant to this section should be referenced in all import documents, and in all funds transfers and other banking transactions through banking institutions organized or located in the United States, in connection with the licensed transactions to avoid the blocking of goods imported from North Korea and the interruption of the financial transactions with North Korea.

[60 FR 8935, Feb. 16, 1995]

#### § 500.584 Energy sector projects in North Korea.

Specific licenses may be issued to permit persons subject to U.S. jurisdiction to participate in certain energy sector projects in North Korea in connection with that country's transition to light-water reactor ("LWR") power plants. Transactions that may be licensed include those related to LWR power plant design, site preparation, excavation, delivery of essential non-nuclear components including turbines and generators, building construction, the disposition of spent nuclear fuel, and the provision of heavy oil to North Korea for heating and electricity generation pending completion of the first LWR unit.

[60 FR 8935, Feb. 16, 1995]

#### § 500.585 Payments for services rendered by North Korea to United States aircraft authorized.

Payments to North Korea of charges for services rendered by the Government of North Korea in connection with the overflight of North Korea or emergency landing in North Korea by aircraft owned or controlled by a person subject to the jurisdiction of the United States or registered in the United States are authorized.

[62 FR 17548, Apr. 10, 1997]

#### 31 CFR Ch. V (7-1-98 Edition)

### Subpart F—Reports

#### § 500.601 Records and reports.

For provisions relating to records and reports, see subpart C of part 501 of this chapter.

[62 FR 45101, Aug. 25, 1997]

#### § 500.602 Reporting of claims of U.S. nationals against North Korea.

(a) *Requirement for reports.* Reports are required to be filed on or before March 9, 1998, in the manner prescribed in this section, with respect to all outstanding claims held by United States nationals against the Government of North Korea or any North Korean government entity.

(b) *Who must report.* A report must be submitted by each U.S. national having a claim outstanding against the Government of North Korea or any North Korean government entity. Reports should be submitted only by persons who were U.S. citizens or entities organized under the laws of a U.S. jurisdiction on the date of the loss.

(c) *How to register.* U.S. nationals filing reports of claims must submit a letter containing the information required by paragraph (f) of this section. The letter must be sent to the Blocked Assets Division, Office of Foreign Assets Control, Department of the Treasury, 1500 Pennsylvania Ave., NW.—Annex, Washington, DC 20220, to arrive by March 9, 1998. A copy of the submission should be kept by the claimant.

(d) *Certification.* Every report shall bear the signature of the claimant or a person authorized by the claimant to sign the report. The signature will certify that, to the best of the reporter's knowledge, the statements set forth in the report, including any papers attached to or filed with the report, are true and accurate, and that all material facts in connection with the report have been set forth.

(e) *Confidentiality of reports.* Reports submitted pursuant to this section are regarded as privileged and confidential.

(f) *Contents of report.* The report must contain the following information

(with responses numbered to correspond with the numbers used below):

- (1) Identification of claimant.
  - (i) Claimant's Legal Name.
  - (ii) Claimant's Address.
  - (iii) Telephone number of individual to contact regarding the report.

- (iv) If claimant is a naturalized citizen of the United States, state the place and date of naturalization.

- (v) If claimant is a corporation or business, state the place of incorporation and principal place of business.

- (2) Information concerning claim.

- (i) Amount of loss in U.S. dollars (indicate exchange or interest rates and relevant dates utilized for any currency translation or interest calculation).

- (ii) Describe the circumstances of the loss. Include the date of the loss and a description of the property, business, obligation, injury or other damage which is the subject of the claim.

- (g) *Definition of United States national.* For purposes of this section, the term *United States national* or *U.S. national* means:

- (1) An individual who is a citizen of the United States;

- (2) An individual who, though not a citizen of the United States, owes permanent allegiance to the United States, and is not an alien; or

- (3) A partnership, corporation, or other juridical entity organized under the laws of the United States or any jurisdiction within the United States.

- (h) *Definition of the Government of North Korea; North Korean government entity.* For purposes of this section:

- (1) The term *Government of North Korea* means the government of the territory of Korea north of the 38th parallel of north latitude, as well as any political subdivision, agency, or instrumentality thereof, or any territory, dependency, colony, protectorate, mandate, dominion, possession, or place subject to the jurisdiction thereof as of the "effective date."

- (2) The term *North Korean government entity* means any corporation, partnership, or association, or other organization, wherever organized or doing business, that is owned or controlled by the Government of North Korea.

[62 FR 64721, Dec. 9, 1997]

## Subpart G—Penalties

SOURCE: 63 FR 10324, Mar. 3, 1998, unless otherwise noted.

### § 500.701 Penalties.

(a) Attention is directed to section 16 of the Trading with the Enemy Act (50 U.S.C. App. 16—"TWEA"), as adjusted pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990 (Pub. L. 101-410, as amended, 28 U.S.C. 2461 note), which provides that:

(1) Persons who willfully violate any provision of TWEA or any license, rule, or regulation issued thereunder, and persons who willfully violate, neglect, or refuse to comply with any order of the President issued in compliance with the provisions of TWEA shall, upon conviction, be fined not more than \$1,000,000 or, if an individual, be fined not more than \$100,000 or imprisoned for not more than 10 years, or both; and an officer, director, or agent of any corporation who knowingly participates in such violation shall, upon conviction, be fined not more than \$100,000 or imprisoned for not more than 10 years, or both.

(2) Any property, funds, securities, papers, or other articles or documents, or any vessel, together with its tackle, apparel, furniture, and equipment, concerned in a violation of TWEA may upon conviction be forfeited to the United States.

(3) The Secretary of the Treasury may impose a civil penalty of not more than \$55,000 per violation on any person who violates any license, order, or regulation issued under TWEA.

(4) Any property, funds, securities, papers, or other articles or documents, or any vessel, together with its tackle, apparel, furniture, and equipment, that is the subject of a violation subject to a civil penalty issued pursuant to TWEA shall, at the discretion of the Secretary of the Treasury, be forfeited to the United States Government.

(b) The criminal penalties provided in TWEA are subject to increase pursuant to 18 U.S.C. 3571 which, when read in conjunction with section 16 of TWEA, provides that persons convicted of violating TWEA may be fined up to the greater of either \$250,000 for individuals and \$1,000,000 for organizations